

**MINUTES  
REPRESENTATIVE TOWN MEETING  
ANNUAL BUDGET MEETING  
MAY 11, 2009**

**RECEIVED**  
**MAY 13 2009**  
TOWN CLERK'S OFFICE  
DARIEN CT.

**CALL TO ORDER**

The Annual Budget Meeting of the Representative Town Meeting was called to order at 8:25 p.m. by Donna Rajczewski, Town Clerk.

Upon Roll Call, the following members were present:

From District I, there were 10 members present, 6 absent.  
From District II, there were 13 members present, 2 absent.  
From District III, there were 14 members present, 3 absent.  
From District IV, there were 13 members present, 4 absent.  
From District V, there were 13 members present, 3 absent.  
From District VI, there were 15 members present, 2 absent.

The absentees from District I were: Grimes, Kelly, Ness, Puzyk, Smith, Tierney.  
The absentees from District II were: Howe, Rudnick.  
The absentees from District III were: Brode, D'Urso, Helms.  
The absentees from District IV were: Eng, Kemp, Peters, Weyhe.  
The absentees from District V were: Balian, Camuti, Nizolek.  
The absentees from District VI were: Berl, Stephens.

The Moderator, Karen A. Armour, Assumed the Chair.

**ACCEPTANCE OF THE AGENDA**

**\*\* THE AGENDA WAS ACCEPTED BY UNIVERSAL CONSENT.**

**ANNOUNCEMENTS**

Town Clerk Donna Rajczewski reminded everyone that anyone whose term is up this November will receive a letter from her office in July asking them to renominate themselves. The letter must be sent back to her office by August 25th.

Seth Morton, Acting First Selectman, read a press release from the Health Department regarding swine flu (attached).

John Boulton, Chairman of the Board of Education, said that schools will remain open. and the administration will monitor the incidents of swine flu.

**APPROVAL OF THE MINUTES OF THE SPECIAL MEETING OF APRIL 27, 2009**

The following correction was made: On page 7, 3<sup>rd</sup> paragraph, Martin Magida is a member of District II, not District V.

**\*\* THE MINUTES WERE APPROVED, AS CORRECTED, BY UNIVERSAL CONSENT.**

**09-8**

**ANNUAL BUDGET CONSIDERATION AND ACTION ON THE JULY 1, 2009 TO JUNE 30, 2010 BUDGET RECOMMENDED BY THE BOARD OF FINANCE**

**\*\* BRUCE ORR, DISTRICT V, CHAIRMAN OF THE FINANCE & BUDGET COMMITTEE, MOVED:**

A RESOLVED, that an appropriation of \$ 6,989,485 is hereby made from the Reserve Fund for Capital and Non-Recurring Expenditures for the purpose of meeting expenses of the Town of Darien as shown by the budget this day approved.

B RESOLVED, that an appropriation of \$ 38,141,964 is hereby made in the General Fund for the Selectmen's Operating Budget.

C RESOLVED, that an appropriation of \$ 68,700,458 is hereby made in the General Fund for the Education Operating Budget.

D RESOLVED, that the above appropriations, totaling \$ 106,842,422 are for the purpose of meeting the expenses of the Town of Darien for the fiscal year commencing July 1, 2009 and ending June 30, 2010 as shown by the budget this day approved.

E RESOLVED, that a tax of 11.37 mills is hereby levied upon the last complete grand list of the Town with a total net assessment of \$ 8,698,446,472 on property as of October 1, 2008, payable in two equal semi-annual installments, the first installment to become due and payable on July 1, 2009 and the second installment to become due and payable on January 1, 2010, provided however that:

1. Any taxpayer may pay both of said installments on July 1, 2009;
2. The personal property tax on motor vehicles in said Town shall become due and payable in one single installment on July 1, 2009
3. Any property tax in any amount not in excess of one hundred (\$ 100.00) shall become due and payable in one single installment on July 1, 2009

F RESOLVED, that the Town of Darien, acting through its Board of Selectmen, and subject to the approval of said Town at the Annual Budget Meeting of the Representative Town Meeting to be held May 11, 2009, be authorized to borrow on the note or notes of the Town the sum of \$ 5,000,000 or so much thereof as may be necessary for the general expenses of the Town pending the collection of either or both of said semi-annual installments of taxes on or prior to June 30, 2010.

G RESOLVED, that the following appropriations for other funds are hereby made as detailed below for the 2009-2010 fiscal year as shown by the budget this day approved.

\$ 3,894,177 Sewer Operating Fund for the purpose of meeting expenses of the Town of  
Darien, Sewer Commission  
\$ 1,110,597 Sewer Assessment Fund  
\$ 70,987 Animal Control Fund



\$ 668,841 Parking Lot Administration Fund

\$ 137,377 Parking Lot Capital Fund

**\*\* THE MOTION WAS SECONDED FROM THE FLOOR.**

Bruce Orr, District V, Chairman of the Finance & Budget Committee, read that committee's report (attached).

Lois Schneider, District I, Chairman of the Education Committee, read the committee report (attached).

Seth Morton, Acting First Selectman, read his written report (attached).

John Boulton, Chairman of the Board of Education, read the report of the Board of Education (attached). Regarding the stimulus fund, he said they expect to receive somewhere in the amount of \$850,000. It has to be used as operating money, and half has to be used for special education.

Murry Stegelmann, Chairman of the Board of Finance, read the report of the Board of Finance (attached).

Cheryl Russell, District V, Chairman of the Parks & Recreation Committee, read the report of the Parks & Recreation Committee (attached).

Mark Adiletta, District V, Chairman of the Public Works Committee, read the report of the Public Works Committee (attached), noting that this committee had not voted on the budget.

John Wolcott, District V, asked how much cash is anticipated to be available next year. Mr. Stegelmann said they are projecting a decrease in the General Fund over the coming year.

**\*\* RESOLUTION 09-8A (ITEMS A - D PLUS G) CARRIED ON A RISING TALLY VOTE OF 75 IN FAVOR, 1 OPPOSED, 0 ABSTENTIONS.**

**\*\* RESOLUTION 09-8B (ITEM E) CARRIED ON A RISING TALLY VOTE OF 76 IN FAVOR, 0 OPPOSED, 0 ABSTENTIONS.**

**\*\* RESOLUTION 09-8C (ITEM F) CARRIED ON A RISING TALLY VOTE OF 76 IN FAVOR, 0 OPPOSED, 0 ABSTENTIONS.**

#### **09-9**

#### **APPROPRIATION OF \$50,000,000 FOR REFUNDING OF CERTAIN OF THE TOWN'S BONDS AND AUTHORIZING ISSUANCE OF REFUNDING BONDS TO FINANCE SUCH APPROPRIATION**

**\*\* BRUCE ORR, DISTRICT V, CHAIRMAN OF THE FINANCE & BUDGET COMMITTEE, MOVED:**

**WHEREAS**, the Town of Darien is desirous of taking advantage of favorable interest rates and refinancing existing bond obligations.

**BE AND IT IS HEREBY RESOLVED THAT** the Representative Town Meeting of the Town of Darien approves the authorization, issuance and sale of Town of Darien General Obligation Refunding Bonds in the amount of Fifty Million and 00/100 Dollars (\$50,000,000), as more specifically set out in the document attached hereto and made part hereof.

**RESOLVED:**

**Section 1.** The sum of FIFTY MILLION DOLLARS (\$50,000,000) is appropriated to fund the redemption and the payment, in whole or in part, as determined by the First Selectman, the Town Treasurer, the Board of Finance or any Town official designated by the Board of Finance and the Finance Director of the Town of Darien (the "Town"), of the outstanding principal, accrued interest and any call premium on all or any portion of any issue of the Town's General Obligation Bonds including, but not limited to, the Town's General Obligation Bonds issued in 1999, 2002, 2003, 2004, 2005, 2006, 2007, 2008 and 2009 (the "Prior Bonds"), together with the costs of issuance including, but not limited to, any applicable consultants' fees, legal fees, trustee and escrow agent fees, investment fees, verification fees, underwriters' fees and other financing or transactional costs and other expenses related to the payment or redemption of such bonds for the purposes of refunding them.

**Section 2.** The Town is hereby authorized to issue its refunding bonds, in an amount not to exceed FIFTY MILLION DOLLARS (\$50,000,000) (the "Refunding Bonds"), to fund the appropriation authorized by Section 1 of this resolution, provided that the issuance of such Refunding Bonds achieves present value debt service savings for the Town. The Refunding Bonds shall be issued pursuant to Section 7-370c of the Connecticut General Statutes, as amended, and any other provision of law thereto enabling. The Refunding Bonds shall be general obligations of the Town secured by the irrevocable pledge of the full faith and credit of the Town.

**Section 3.** The First Selectman and the Town Treasurer shall sign the Refunding Bonds by either manual or facsimile signatures and the law firm designated as bond counsel is authorized to approve the legality of the Refunding Bonds.

**Section 4.** The First Selectman, the Town Treasurer, the Board of Finance or any Town official designated by the Board of Finance and the Finance Director are authorized to determine which of the Prior Bonds are to be redeemed and the amount, date, interest rates and interest mode, maturities, redemption provisions, form and other details of the Refunding Bonds; to designate one or more banks or trust companies to be certifying bank, registrar, transfer agent and paying agent for the Refunding Bonds and escrow agent with respect to the refunding escrow or escrows to be funded with proceeds of the Refunding Bonds; to provide for the keeping of a record of the Refunding Bonds; to sell the Refunding Bonds at public or private sale; to deliver the Refunding Bonds; and to perform all other acts which are necessary or appropriate to issue the Refunding Bonds.

**Section 5.** The First Selectman and the Town Treasurer are authorized to call irrevocably for redemption such of the maturities of the Prior Bonds, as they shall determine to refund from the proceeds of the Refunding Bonds and other moneys as they may determine to make available for this purpose and to defease such Prior Bonds by executing and delivering an escrow agreement in such form and upon such terms as they shall approve, such approval to be conclusively evidenced by their execution thereof.



**Section 6.** The First Selectman, the Town Treasurer and the Finance Director, or any two of them, are authorized to bind the Town pursuant to such representations and covenants as they deem necessary or advisable in order to maintain the continued exemption from federal income taxation of interest on the Refunding Bonds authorized by this resolution, if issued on a tax-exempt basis, including covenants to pay rebates of investment earnings to the United States in future years.

**Section 7.** The First Selectman, the Town Treasurer and the Finance Director, or any one of them, are authorized to make representations and enter into written agreements for the benefit of holders of the Refunding Bonds to provide secondary market disclosure information, which agreements may include such terms as she or he deems advisable or appropriate in order to comply with applicable laws or rules pertaining to the sale or purchase of such Refunding Bonds.

**Section 8.** The First Selectman and the Town Treasurer are authorized to take all other action which is necessary or desirable to enable the Town to effectuate the refunding of all or a portion of the Prior Bonds and to issue Refunding Bonds authorized hereby for such purposes, including, but not limited to, the entrance into agreements on behalf of the Town with underwriters, trustees, escrow agents and others to facilitate the issuance of the Refunding Bonds, the escrow of the proceeds thereof and investment earnings thereon and the payment of the Prior Bonds in whole or in part.

**Section 9.** Any authorized but unissued portions of previous refunding authorizations are rescinded.

**\*\* THE MOTION WAS SECONDED FROM THE FLOOR.**

Bruce Orr, District V, Chairman of the Finance & Budget Committee, read that committee's report (attached).

Murry Stegelmann, Chairman of the Board of Finance, read the Board of Finance report (attached).

**\*\* ITEM 09-9 CARRIED ON A RISING TALLY VOTE OF 76 IN FAVOR, 0 OPPOSED, 0 ABSTENTIONS.**

#### **09-10**

#### **SPECIAL APPROPRIATION OF \$1,081,160 FOR THE POST EMPLOYMENT BENEFITS FUND**

**\*\* BRUCE ORR, DISTRICT V, CHAIRMAN OF FINANCE & BUDGET, MOVED:**

**WHEREAS,** the Board of Finance has expressed its intent to fund the Board of Education's Other Post Employment Benefit (OPEB) liability and the Town's non-Police Other Post Employment Benefit (OPEB) liability for FY 2009 and FY 2010 at this time; and

**WHEREAS,** the appropriation shown below is needed to fully fund the annual required contribution for the referenced liabilities; and

**WHEREAS**, the breakdown is Twenty Nine Thousand Ninety Eight and 00/100 Dollars (\$29,098.00) for the Town's non-Police liability and One Million Fifty Two Thousand Sixty Two and 00/100 Dollars (\$1,052,062.00) for the Board of Education liability; and

**WHEREAS**, the Board of Finance has approved a special appropriation of Twenty Nine Thousand Ninety Eight and 00/100 Dollars (\$29,098.00) for the Town's non-Police liability and One Million Fifty Two Thousand Sixty Two and 00/100 Dollars (\$1,052,062.00) for the Board of Education liability;

**NOW THEREFORE, BE IT RESOLVED**, that the Representative Town Meeting of the Town of Darien hereby approves a special appropriation of Twenty Nine Thousand Ninety Eight and 00/100 Dollars (\$29,098.00) for the Town's non-Police liability and One Million Fifty Two Thousand Sixty Two and 00/100 Dollars (\$1,052,062.00) for the Board of Education liability.

**\*\* THE MOTION WAS SECONDED FROM THE FLOOR.**

Bruce Orr, District V, Chairman of Finance & Budget, read that committee's report (attached).

Murry Stegelmann, Chairman of the Board of Finance, read the report of the Board of Finance (attached).

Seth Morton, Acting First Selectman, said that the Board of Selectmen had voted unanimously in favor of this resolution.

Martin Magida, District II, asked if this is the first time this has been funded. Mr. Stegelmann said this is the first time for the teachers; they have funded police retirement in the past. It is the first time they have had actuarial determination of the amount.

Robert Young, District III, asked if they are being required to go two years ahead. Mr. Stegelmann said they have never recognized this as a separate item in the past. This is being mandated by the state.

Jeff Marston, District II, asked how many years it will take to comply fully with this new requirement. Mr. Stegelmann said they would be fully compliant tonight if this resolution is approved.

**\*\* ITEM 09-10 CARRIED ON A RISING TALLY VOTE OF 74 IN FAVOR, 0 OPPOSED, 1 ABSTENTION.**

**\*\* UPON MOTION MADE AND SECONDED FROM THE FLOOR, IT WAS UNANIMOUSLY VOTED TO ADJOURN AT 9:45 P.M.**

Respectfully submitted,

Cheryl Telesco  
Telesco Secretarial Services



# APPENDIX

<u>DISTRICT I</u>	<u>(09-8a)</u>	<u>(09-8b)</u>	<u>(09-8c)</u>	<u>(09-9)</u>	<u>(09-10)</u>	<u>DISTRICT IV</u>	<u>(09-8a)</u>	<u>(09-8b)</u>	<u>(09-8c)</u>	<u>(09-9)</u>	<u>(09-10)</u>
Bishko	yes	yes	yes	yes	yes	Artinian	yes	yes	yes	yes	yes
Grimes	absent	absent	absent	absent	absent	Cameron	yes	yes	yes	yes	yes
Harrington	yes	yes	yes	yes	yes	Cleary	yes	yes	yes	yes	yes
Imbimbo	yes	yes	yes	yes	yes	Davis	yes	yes	yes	yes	yes
Kelly	absent	absent	absent	absent	absent	Eng	absent	absent	absent	absent	absent
Nelson	yes	yes	yes	yes	yes	Kemp	absent	absent	absent	absent	absent
Ness	absent	absent	absent	absent	absent	Millar	yes	yes	yes	yes	yes
Piccaro	no	yes	yes	yes	yes	Miller	yes	yes	yes	yes	yes
Price	yes	yes	yes	yes	yes	Morrison	yes	yes	yes	yes	yes
Puzyk	absent	absent	absent	absent	absent	Peters	absent	absent	absent	absent	absent
Schneider	yes	yes	yes	yes	yes	Pratt	yes	yes	yes	yes	yes
Sini	yes	yes	yes	yes	yes	Rayhill	yes	yes	yes	yes	yes
Smith	absent	absent	absent	absent	absent	Rycenga	yes	yes	yes	yes	yes
Tierney	absent	absent	absent	absent	absent	Savage	yes	yes	yes	yes	yes
Valentino	yes	yes	yes	yes	yes	C.Schoonmaker	yes	yes	yes	yes	yes
Wong	yes	yes	yes	yes	yes	S.Schoonmaker	yes	yes	yes	yes	yes
						Weyhe	absent	absent	absent	absent	absent

## DISTRICT II

Bacon	yes	yes	yes	yes	yes
Conway	yes	yes	yes	yes	yes
Howe	absent	absent	absent	absent	absent
Magida	yes	yes	yes	yes	yes
Maguire	yes	yes	yes	yes	yes
Marston	yes	yes	yes	yes	yes
Noe	yes	yes	yes	yes	yes
Ridley	yes	yes	yes	yes	yes
Rudnick	absent	absent	absent	absent	absent
Seelye	yes	yes	yes	yes	yes
Sheehan	yes	yes	yes	yes	yes
Smosky	yes	yes	yes	yes	yes
Thorne, B.	yes	yes	yes	yes	yes
Thorne, M	yes	yes	yes	yes	yes
Weicker	yes	yes	yes	yes	yes

## DISTRICT V

Adiletta	yes	yes	yes	yes	yes
Balian	absent	absent	absent	absent	absent
Camuti	absent	absent	absent	absent	absent
Conniff	yes	yes	yes	yes	yes
Dailey	yes	yes	yes	yes	yes
Davis	yes	yes	yes	yes	yes
George	yes	yes	yes	yes	yes
Hennessy	yes	yes	yes	yes	yes
Nizolek	absent	absent	absent	absent	absent
Orr	yes	yes	yes	yes	yes
Patrick	yes	yes	yes	yes	yes
Russell	yes	yes	yes	yes	yes
Sharp	yes	yes	yes	yes	yes
Vanderkieft	yes	yes	yes	yes	yes
Wenger	yes	yes	yes	yes	yes
Wolcott	yes	yes	yes	yes	yes

## DISTRICT III

Bayne,	yes	yes	yes	yes	yes
Brode .	absent	absent	absent	absent	absent
Cardone	yes	yes	yes	yes	yes
Coyle	yes	yes	yes	yes	yes
Duffy	yes	yes	yes	yes	yes
D'Urso	absent	absent	absent	absent	absent
Fead	yes	yes	yes	yes	yes
Helms	absent	absent	absent	absent	absent
LeHan	yes	yes	yes	yes	yes
Maroney	yes	yes	yes	yes	yes
Martens	yes	yes	yes	yes	yes
Moore	yes	yes	yes	yes	yes
Olvany	yes	yes	yes	yes	yes
Pullen	yes	yes	yes	yes	yes
Smith	yes	yes	yes	yes	yes
Voigt	yes	yes	yes	yes	yes
Young	yes	yes	yes	yes	yes

## DISTRICT VI

Adelman	yes	yes	yes	yes	yes
Armour	did not vote				
Baldwin	yes	yes	yes	yes	absent
Berl	absent	absent	absent	absent	absent
Conologue	yes	yes	yes	yes	yes
Grogan	yes	yes	yes	yes	yes
Guimond	yes	yes	yes	yes	yes
Hawkins	yes	yes	yes	yes	yes
Jones	yes	yes	yes	yes	abstain
McDermott	yes	yes	yes	yes	yes
McLean	yes	yes	yes	yes	yes
McNamara	yes	yes	yes	yes	yes
Plehaty	yes	yes	yes	yes	yes
Poli	yes	yes	yes	yes	yes
Stephens	absent	absent	absent	absent	absent
Swenson	yes	yes	yes	yes	yes
Whitehead	absent	absent	absent	absent	absent

DEPARTMENT OF HEALTH  
TOWN HALL, 2 RENSCHAW RD.  
DARIEN, CONNECTICUT 06820-5397  
TELEPHONE (203) 656-7320  
FAX (203) 656-7486



DAVID A. KNAUF, MPH, MS, RS  
DIRECTOR OF HEALTH  
email: dknauf@darienct.gov

Darien has one confirmed case of H1N1 flu

Darien, May 11, 2009

On Saturday, May 9, 2009, the Darien Health Department was notified that a student in one of the schools had been diagnosed with the H1N1 flu. The student became ill on Tuesday, May 4<sup>th</sup>, sought medical attention, was treated with Tamiflu and is now symptom free.

Residents should be mindful that this virus is circulating throughout the community, and anyone who has flu-like symptoms should stay home. The CDC (Centers for Disease Control) recommends that anyone who has flu symptoms stay at home for seven days. Treatment need only be sought for severe cases.

At this time, we are keeping the schools open and urging parents to keep students home if they are sick. If you have specific questions about a member of your family, contact your health care provider.

Remember to wash your hands frequently and cover your mouth with a tissue when you sneeze or cough.

# # #

For additional information, contact David Knauf, Darien Health Department, 656-7324

CDC flu information webpage -- <http://www.cdc.gov/h1n1flu/sick.htm>



**Finance & Budget Committee  
Report to RTM, May 11, 2009**

**(09-8) RTM RESOLUTION TO APPROVE THE ANNUAL TOWN BUDGET  
FOR THE FISCAL COMMENCING JULY 1, 2009 TO JUNE 30, 2010**

I am Bruce Orr, District 5 and Chair of Finance and Budget.

If there are no objections, I propose to waive the reading of the Resolution.

I move Resolution (09-8) and ask for a second.

The F&B committee again had a very active budget season. Our Sub Committee Chairs, Bill Smith for BOS and Jack Davis for the BOE and members of their Committees, attended every Town and District departmental budget meeting. Members of the F&B Committee also attended the Town annual performance review session, various BOF meetings and the annual tour of the Town schools to examine all major capital requests. At these meetings we listened to administrative and departmental proposed budgets, debated and challenged many requests and documented our recommendations. Additionally, F&B has proposed suggestions on how to improve the overall efficiency and effectiveness of the budget process. These meetings were in addition to our 3 scheduled regular meetings and two special meetings called over the past four months. The Committee most recently met in a special session on April 28 2009, with 11 of 15 members present to discuss, take action and vote on the BOF recommended 2009/2010 Town Budget.

Given the dismal economic situation and forecasts, most departmental cost centers entered this year's budget process with the over-arching philosophy of minimizing and controlling expenditures without impacting primary Town or Educational services.

In total, the overall increase for the entire recommended 2009/2010 Town budget is 1.6%. However, increases in actual expenditures are more in the range of 2.5%, which has been off-set by a significant reduction in Town Debt Service. With the recent revaluation of the Town's Grand list, this translates into a new mill rate of 11.37. The BOF approved this budget on April 21, 2009.

Contained in the resolution before you are 7 discrete items, A – G; with items B and C being the primary expenditure drivers.

That said, let me briefly touch on Item A, capital and non-recurring expenses. This appropriation of \$6.9 million funds a fairly modest list of capital expenses for both the Town and the BOE. The funding for these projects, if done during the next fiscal year, are funded from a variety of sources including the General Fund or possible bond issues. While this appropriation is up sharply from last year's \$3.9 million, the largest anticipated item is the Heights Road drainage improvement project at \$4.5 million, which along with other flood mitigation projects, was removed from last year's request. The second largest item is a BOF infrastructure reserve of \$750 k, followed by \$350k for fire department apparatus replacement and \$333 k to replace the roof of this very Town Hall.

Item B, \$38.1 million consists primarily of two major pieces: The Selectman's Operating Budget, which includes primary Town services and The Town Debt Service. Last year's approved amount was \$37.9 million or less than a 1% increase for this year. The Selectman's Operating Budget, which excludes Debt Service and transfers is \$24.2 million or a 2.2% increase over last year. The Debt Service budget is forecasted to decline to \$10.1 or a 9.8% reduction over last year. The net of these two yield an increase of around 1 % over last year.

While most Town departments show flat or declining expenditures for this recommended budget, two show notable increases:

- Public Safety, which is primarily driven by the Police Department budget, is up 3.7%. This increase is due almost exclusively to the collective bargaining agreement approved last year and does not reflect any additional staffing.
- Public Library Services are up 4% over prior year to \$3.1 million. This is exclusively driven by the higher maintenance associated with the new and expanded library and does not reflect any headcount additions.

The Debt Service reduction of \$1.1 million is a result of three items:

- A number of projects contemplated in last year's budget, namely Weed Beach and the Police station renovation were put on hold.
- The BOF took advantage of the low interest rate environment and refinanced \$28.4 million of bonds and also shortened the maturity resulting in an overall lower interest expense.
- The principal amount of the Town Debt has been reduced, also resulting in a lower annual interest expense.



Item C – The Board of Education’s request of \$68.7 million for the 09/10 operating budget. This is an increase of 3.5% or approx. \$2.3 million over prior year’s budget. The initial Administration budget proposal to the BOE was in excess of a 6.8% increase but fine tuning by the BOE and others managed to reduce it to the current recommended level. As with previous budget requests, the primary driver for this increase is Personnel and Benefits, as some 84% of the annual costs relate to personnel.

While always subject to tremendous scrutiny by our Committee and other interested and engaged factions, this year was particularly challenging in light of the economic environment. Many creative and often times unpopular concepts were floated and debated by the BOE to reduce what seem to be ever rising costs to educate our children.

The only significant net increases in staffing and resultant costs in the final proposed budget are in the area of Special Education. As with previous years this area of education, which is primarily legislated at Federal & State levels, received heightened attention this year, as it is forecast that the number of students requiring special education services will increase in the next fiscal year. The BOE realizes the costs and challenges associated with the increasing population and are working hard to contain the ever rising expenses.

The BOE approved capital projects for next year were limited to a handful of maintenance and minor renovation projects.

The remaining items, namely Items E to G, which are mainly dealing with the establishment of the mill rate, administration of tax collections, interim funding (if required) and appropriations for Funds that have essentially no net impact on taxes, were also approved unanimously.

*At our most recent F&B meeting on April 28, 2009 with 11 of 15 members present comprising a quorum, the Committee voted unanimously to approve all elements of the 2009/2010 budget request. The Committee recommends that the RTM approve this budget as approved by the Board of Finance.*

Respectively submitted,

Bruce G. Orr, Sr.  
Chairman  
May 11, 2009

## **RTM Education Committee Report to the RTM on May 11, 2009**

Good evening. My name is Lois Schneider and I chair the RTM Education Committee.

The RTM Education Committee met on May 4, 2009 with 11 of 14 members present to discuss and vote on the Education components of the Town Budget. The Committee voted unanimously to approve the Education Operating Budget of \$68,700,458 and the Education portion of the Reserve Fund for Capital and Non-Recurring Expenditures.

The budget submitted by the Administration to the Board of Education in early January contained costs to run the district in a tight economy with no new initiatives. At the request of the Board, the administration presented the numbers such that the Board, with the Administration's assistance, could decide where additional cuts were desired. The Board lowered the budget by over \$2 million to yield a 3.8% increase over this year. The Board of Finance then lowered the budget by an additional .3% to reach their target number for the Education budget increase.

The Education Budget is driven by enrollment, class-size policy, salary contracts, special education requirements, and operating requirements of the school facilities. The RTM Education Committee participates throughout the detailed review process with the Board of Education and the Board of Finance starting in the fall of each year.

The new 3-year teacher contract was fixed before the budget cycle and drives a portion of the increase. The operating budget was structured to hold back for a year as many purchases as possible without impacting classroom operations. The key components for the 2009-10 budget are:

1). Enrollment – The budget has 2 less elementary classrooms for next year, the addition of half a team for MMS and the same teacher headcount at Darien High School. These numbers are being closely watched with regard to the potential return from private schools due to the impact of the economy.

2). Special Education continues to cost more to meet the needs of our students and the legal requirements to provide the appropriate education. The increase in services needed and individuals that require a higher \$ expenditure has yielded the Special Ed budget increased of 16% over this year. The Board and the administration are looking into any ways to address the continual increases and that the money is spent effectively.

The budget has the state covering \$2.5 million in excess cost assuming that they will fund these costs at 90%. These costs are expenditures for individuals at more than 4.5 times the cost for the average student – this year of over \$61,800 per child

3). A major capital project for resurfacing the 50 year old gym floor for MMS was postponed for another year. The major capital expense for boilers for Royle school was approved by the RTM in March.

4). The constraints on the budget have caused some concerns on the part of the parents – in particular, the decision to have a full-day kindergarten program was implemented 1 year earlier than planned. The high school athletic budget has a revenue increment of \$200,000 that is yet to be finalized. The core classroom activities have not been cut, but the tight budget is being felt in all areas.

The Education Committee continues to discuss ongoing concerns with the upcoming budget – potential increases in enrollment, changes in special ed costs, and the impact from the Stimulus bill which may benefit special ed costs over the next two years. We thank the Board of Ed and the Administration for the detailed budget development process, closely monitoring expenditures, and responsiveness to our questions and concerns about the budget.

The Education Committee supports the budget as submitted and recommends that the RTM do the same.

Thank you very much.



**Budget Remarks to the RTM  
2009/2010 Board of Selectmen Budget  
Seth Morton, Acting First Selectman  
11 May 2009**

Good evening Madame Moderator, fellow elected officials and members of the Darien Community.

Halting capital projects and instituting a hiring freeze on all positions other than health, safety and mandated personnel has offset budget shortfalls realized during the current fiscal year. These decisive actions taken by the Town of Darien early this past fall in response to the economic downturn set the stage for the FY 2009/2010 Board of Selectmen Budget.

On February 24, 2009 the Board of Selectmen unanimously approved the FY 2009/2010 Budget. The budget before you this evening includes:

- Total Operating Budget \$25,434,736 (which now includes the consolidation of the Solid Waste Fund into the General Fund – an increase of \$1,248,614 in the DPW budget)
- Debt Service \$10,068,756
- Total Transfers to Other Funds \$ 2,638,472

The Board of Selectmen Budget Total is \$38,141,964.

The Board of Selectmen's Budget, therefore, is less than the amount anticipated in the Five Year Financial Forecast. Comparing the FY 2009/2010 Budget to the detail of the Five Year Financial Forecast, the following areas are below forecast:

- Board of Selectmen Operating
- Town Property and Liability Insurance
- Town Workers' Compensation
- Town Medical
- Total Operating and
- Debt Service

The following areas are above forecast:

- Town Energy;
- Town Medical;
- Transfers/Other Capital
- Transfers to Animal Control

Pension and Police Retiree Medical is as forecasted.

## **OPERATING BUDGET**

The Operating Budget requests \$25,434,736. The increase in the operating funds over last year is \$1,538,826 of which \$1,248,614 is due to the consolidation of the Solid Waste Fund with the General Fund. This Budget includes:

- an increase in funding to support the increase in requests for services that the Department of Social Services has received during these difficult financial times
- funding to support our Emergency Services and First Responders
- Funding to continue the progress made in infrastructure improvements and asset maintenance.

Because of careful management Darien has not had to resort to staffing reductions faced by other towns. Four positions have been eliminated in the FY 2009/2010 Budget. They are:

- 1 FT Social Services;
- 1 PT Fire Inspector
- 2 FT Health Department.

The Library Operating increase over last year is 4%. This funding supports the Library's ability to deliver a high level of service to the Darien Community, as well as, anticipates operating expenses in the new building.

It is important to note that in some areas operating expenses have been reduced, as a short term measure, to address the current economic environment. These reductions cannot be sustained over the long term without having a negative effect on the community.

It is equally important to note that in conjunction with the First Selectwoman's Office and Town Staff, we will begin the process of establishing budget guidelines for the 2010/2011 Board of Selectmen Budget this month.

## **DEBT SERVICE**

Debt Service for FY 2009/2010 is proposed at \$10,068,756.

## **CAPITAL BUDGET**

Included in the Capital request of \$6,989,485 is the funding for the Baker Flood Mitigation project at \$4,500,000. The Board of Selectmen continued to fund all Equipment Reserve Funds. Also In an effort to realize greater efficiencies in the use of staff time, the Board of Selectmen supported funding to update the



computer and data management systems in the Department of Public Health. Improvements to the Town Hall are included in this request, as are small infrastructure projects that improve our public spaces as well as address safety concerns.

## **CLOSING COMMENTS**

The Board of Selectmen continued our practice of setting priorities for the Town of Darien with an emphasis on Fiscal Responsibility. Although each budget season presents challenges, this year we faced a unique set of challenges. The Staff and the Board of Selectmen worked together to achieve our goals and keep the following commitments to our community:

- 1) To put forward a budget that relieves the tax burden from our residents
- 2) To maintain our position as a premier Town in the State of Connecticut;
- 3) To provide the level of service our residents have come to expect, depend upon and enjoy;
- 4) To continue to move the Town of Darien forward and
- 5) To strengthen the foundation for future success.

You have before you, the Board of Selectmen's 2009/2010 Budget, which not only reflects the economic realities we face today, but also looks beyond today. It allows us to maintain what we have accomplished thus far, and positions us to move forward when the economic climate improves.

**Remarks to Darien RTM  
2009-10 Board of Education Budget  
May 11, 2009**

Good evening and thank you Madame Moderator and thanks to the RTM as a whole for the opportunity to speak tonight.

The 2009-10 Board of Education budget before you represents the product of a process that begins in October at the Central Office and works its way through a thorough vetting from the Board of Education, the Board of Finance, and the RTM Education and F&B Committees before arriving here for your review and approval.

At 3.5%, the budget is one of the leanest BOE budgets proposed in many years. This figure includes over \$2 million in cuts made by the Board of Education prior to the Board of Finance's review. There were no new initiatives included in this year's budget, and in fact a number of areas - such as technology plan - were partially deferred to help reduce the budget. Depending on where we take the additional \$215,000 reduction voted on by the Board of Finance, the increase attributable to Special Education will be roughly 2.5% of that figure, while regular education and district operations went up roughly 1.0%. The 9.10 increase in headcount is also distributed along these lines. Other than a half team of teachers (2.70 teachers) at Middlesex Middle School, all other headcount increases are charged to the Special Education budget. There were no increases in the administrative staff, and in fact the senior Central Office administrators graciously agreed to waive any salary increases this coming year.



Despite these challenges, the Board feels we have achieved our goal from the start of this process, which was to protect the integrity of the classroom experience for our children.

This year has, without a doubt, been the most challenging budget year seen in recent memory, and not just for the obvious reason of the global recession that impacts us all in some way. The Board of Education and the Board of Finance faced several key areas of uncertainty that made our decisions that much more difficult. To wit:

**Enrollment:** The budget is based on an enrollment projection derived from a persistence ratio analysis. In plain English, we look at our actual average experience to predict the future. The budget before you is based on a flat enrollment increase, albeit distributed differently through the system, with increases at the middle school, decreases at the elementary level, and relatively flat enrollment at DHS. Although we don't have hard figures, we estimate that between 15% and 20% of the school-aged children on town attend private schools. If there is a large migration back to the public schools due to the recession, and we probably won't know that until starting next month, that could have a big impact on our program depending on the distribution. We are recently made aware of a number of Special Education students who were placed outside the District by their parents (meaning we weren't paying for the programs) who are returning to our public schools this fall, and who are not included in the current budget.

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**Special Education:** Budgeting our Special Ed costs is difficult, as is trying to divine what the State will give us in terms of reimbursement for our excess costs. The current budget

fully funds what we think are reasonable estimates of our costs for students we are aware of, and budgets for a <sup>90%</sup>~~95%~~ reimbursement from the State. We have been told that the State will use their share of the stimulus money to maintain the current dollar level of funding for both the Excess Cost Sharing grant and the Special Education Excess Cost Reimbursement, but that we should not expect an increase that funding if claims rise above the current year's submittals. Given the increases in costs in Special Education in the recent past, we have asked the Superintendent to carefully review our program to ensure that we are running it as efficiently as possible.

**Athletics:** As those of you who read the local papers know, we have been working to resolve a Title IX complaint regarding the Darien High School athletic program; swimming and gymnastics specifically. As we speak, the "second" complaint has not formally been resolved, and there are funds in the budget related to potential resolutions to that matter. For the record, no decisions have been taken yet by the Board with respect to changes to the cost or revenue structure of the interscholastic athletic program.

### **Summary**

The budget process is a demanding one for all involved, and I need to thank Superintendent Don Fiftal, Director of Finance Dick Huot, and the District administrators and employees who made the process happen as professionally as it did. We appreciate the constructive feedback and, ultimately, the support given by the RTM Education and Finance & Budget Committees throughout the year. Likewise, our thanks to Murry Stegelmann and his



colleagues on the Board of Finance for their fair but challenging approach to this year's budget deliberations.

I would also like to thank my fellow Board members for the many long hours and the insightful contributions to the process. And, finally, we wish to thank the taxpayers of Darien, as represented by you, the RTM. This is a town that has never flinched at doing what's right for its schools, and I trust you will vote to do so again this evening. Please know that you have a very dedicated group of people working in the school system who do make every effort at being as efficient as possible with the use of your tax dollars.

The Board of Education believes this budget will help maintain the excellence of the Darien Public Schools that we have all come to expect and depend on to educate our children, while remaining an efficient use of tax dollars. We ask for your affirmative vote to pass the operating and capital budgets as submitted to you. Thank you in advance for your consideration.



Sincerely,  
John V. Boulton  
Chairman  
Darien Board of Education

## Remarks on 2009-2010 Budget

Murry Stegelmann, Chair

Darien Board of Finance

May 11, 2009

On behalf of the Board of Finance, I recommend that you adopt resolution 09-8.

Although others have described the resolution, I can summarize it as “The Budget Everyone Will Hate.”

This fiscal year will begin on July 1, 2009 and end June 30, 2010. Although the normal review process for a budget begins in January of each year, the process this year started in August of last year. At that point, the financial markets were declining and a recession was looming. Consultation among members of the Selectmen and the Board of Finance led to a decision to freeze all capital items over \$100,000 including the construction of the Weed Beach master plan and the Police Station renovation. A hiring freeze was instituted in Town Hall, and positions were identified for reduction. Meanwhile the Board of Education was hit with a last minute increase in the number of its Special Education students, and began an intensive search for ways to conserve spending.

Those early decisions brought a coordinated focus among the Board of Finance, the Board of Selectmen, and the Board of Education in trying to deal with a deteriorating economic condition of the country. We have sought to meet monthly as a group to update each other on the financial condition of the town and how we can move forward. Our goal is to address not only the shortfalls in the current year's budget (which ends next month) but also to position ourselves for a downturn which could impact the budgets of the town for the next two years. With declining revenues from the real estate conveyance tax, building permits, and interest income, cuts have been made in current operations to minimize any budget deficit for the current fiscal year. We are not relying on one-time gimmicks to meet the shortfall, but are making difficult decisions to maintain prudent town finances.

Noteworthy items in the proposed 2009-2010 budget are:

- Total General Fund spending of \$106.8 million is an increase of only 1.6% from the current fiscal year. However, in this budget we are collapsing the Solid Waste fund back into the General Fund. As such, the comparable “apples to apples” comparison is an increase in total spending of only 0.6%.
- The portion of the budget dedicated to the Board of Education is \$68.7 million, an increase of 3.5% (which is roughly half of the increase that was proposed earlier in the year by the school administration).
- The total debt service for next year is reduced by \$1.1 million from this year's budget. Although we are budgeting a substantial debt service reduction for next year, we are including a \$4.5



million debt issuance this Fall, based on flooding mitigation project related to Heights Road. The largest source of savings in debt service next year (approximately \$600,000) is attributable to the refinancing of outstanding debt that was undertaken in March of this year. A total of \$28.4 million of bonds were issued at an average interest rate of only 2.35%, to refinance as much of the existing town debt as possible. As part of the refinancing, Moody's re-affirmed the Aaa bond rating of the Town of Darien. We were able to undertake that refinancing because of an existing authorization from the RTM. Tonight our Board is asking that you pass another appropriation to authorize further refinancing in the future if market conditions allow such to occur.

- In terms of revenues, we are forecasting that real estate conveyance taxes will fall further next year, with a total 2 year decline totaling 60%. Similarly, building permit revenue will decline by 27% from last year's level and interest income on our cash balances will plummet by 76%.
- The mill rate that results from this budget is 11.37. Yes, that mill rate is a substantial reduction from the 14.55 rate for the current year. However, the 11.37 rate will be used on the grand list assessment of October 1, 2008 and the old mill rate of 14.55 corresponds to the assessment of October 1, 2003. With the results of that re-assessment, the Grant List we are using tonight is increased 31.7% from last year. We are estimating that the mill rate would have increased 2.96% on an adjusted basis without the revaluation.
- Let me take a minute and give an example. A house that was worth \$1,000,000 in 2003 would have an assessment of 70%, hence an old Grand List Value of \$700,000, and a tax bill last year of \$10,185. If the market value of that house increased by the average increase of property in Darien of 32.7% in the latest assessment, its market value would now be \$1.327 million and have a 70% assessed value of \$928,900 and a tax bill next year of \$10,561. Including their cars would result in a tax increase of roughly 2.6% on this family.

Many of you are asking why a typical family would have a 2.6% tax increase if the total spending is only up 0.6%. This is primarily due to those three large revenue items, real estate conveyance taxes, building permits, and interest income. With the large drops we are suffering there, the mill rate is increasing faster than the spending increases.

As we look to the future, we on the Board of Finance are uncertain of the length or depth of our current economic turmoil. Further, more painful, actions might be required next year by the Board of Selectmen and Board of Education if the economy does not stabilize.

Although this is not a budget of which one can be enthused, we believe it strikes the right balance between the educational needs of our children, the town services that our residents expect, the financial turmoil affecting most of the households in Darien, and the long term fiscal prudence that is more important than ever.

I urge you to adopt this budget.

### Typical Darien Family

#### Taxes paid in 2008-2009

House with Fair Market Value of \$1 million in 2003  
and assessed value of \$700,000 at a mill rate of 14.55 10,185

Two cars at average value of \$12,467 and a mill rate  
of 14.55 363

Total 2008-2009 tax 10,548

#### Mill Rate for 2009-2010

Assuming an average real estate assessment change  
of 32.7%, the House would have an Assessed value of  
\$928,900 pay taxes at a mill rate of 11.37 10,561

Two cars at new average value of \$11,652 and a mill  
rate of 11.37 265

Total 2009-2010 tax 10,826

"Typical" Tax Change 2.6%



May 11, 2009

REPRESENTATIVE TOWN MEETING  
ANNUAL BUDGET MEETING  
WARNING 09-8

Good evening, I am Cheryl Russell, Chairman of the Park and Recreation Committee.

The Park and Recreation Committee held a meeting on May 4, 2009 with nine of 13 members present. Our meeting was to discuss and vote on the Park and Recreation Operating and Capital sections of the Darien Town Budget for 2009- 2010, we voted in favor of the Park and Recreation budget.

The Park and Recreation Operating Budget have no increase to service levels. However, if there had been any further reductions it would have resulted in service cuts. In the Capital Budget, three projects for \$127,100 are funded. This is the smallest capital submitted in close to 20 years. It is truly a Bare Bones budget.

During our meeting, we discussed the lay out of the budget. Omitted in this year's budget were columns for Department Request and Administrative Officer Proposed amounts. In prior years, they were included in the final budget. We are requesting reinstating these two columns in next year's budget. We also discussed the availability of the budget. We are disappointed in receiving the budget at our meeting and a week before the RTM Vote. We would like the powers to be to work on getting the budgets to Committees at least two weeks before the RTM Vote.

TOWN OF DARIEN 2009-2010 BOARD OF FINANCE BUDGET  
SEWER OPERATIONS

	Expended 2007-08	Budget 2008-09	YTD 12/31/2008	Projected 2008-2009	Board of Selectmen Approved	Board of Finance Approved	Variance
SEWER ADMINISTRATION	280,960	313,712	151,027	272,887	305,836	313,836	124
SEWER MAT'L COLL & TREAT	747,717	1,223,988	476,561	984,701	1,932,043	932,043	(291,945)
SEWER TREATMENT - EQUIPM	2,021,819	1,800,000	900,060	2,994,012	2,400,000	2,400,000	600,000
GENERAL OVERHEAD & MISC	231,644	246,532	146,341	156,136	254,084	248,298	1,766
<b>TOTAL</b>	<u>3,282,139</u>	<u>3,584,232</u>	<u>1,673,988</u>	<u>4,407,736</u>	<u>4,891,963</u>	<u>3,894,177</u>	<u>309,945</u>

- Did not meet to vote on Budget
- Circulated to PWC the highlights of Budget related to the Dept. of Public Works, for comment.

1) \$4.5mm Capital Item related to a potential Heights Road Drainage Improvement Project, ~~the~~  
 • Currently before the DEP for approval  
 • Not yet approved by the RTM.

2) Public Works Budget

- No meaningful change in Maint & Engineering
- Completion of the town wide drainage study, Roadway & Walkway Maintenance
- maintain current program, \$206,000 ~~decrease~~ decrease offset by a reserve item, ~~subject to stimulus~~ ~~and funds~~ stimulus money to be received, related to possible

• Solid waste Disposal - No material change

- Reflects additional revenue from sale of recyclables & scrap (55 to 85K); part of new contract for operations at the facility
- \$1mm increase reflects cost always reflected as a separate account being brought on Balance Sheet.

Mr. Stegmann mentioned →



## 'Public Bldg Maintenance

- Sucs maintained
- Add cost for full year maintenance for 35 Levy
- \$37K 9.5% increase

## 'Public Facil Operation Maint

- Flat and sucs maintained

**Finance & Budget Committee  
Report to RTM, May 11, 2009**

**(09-9) RTM RESOLUTION APPROPRIATING \$50 MILLION TO REFUND  
CERTAIN OF THE TOWN'S OUTSTANDING BONDS**

I am Bruce Orr, District 5 and Chair of Finance and Budget.

I move Resolution (09-9) and ask for a second.

If there are no objections, I propose to waive the reading of the Resolution.

The F&B committee met on May 11, 2009, with 12 of 15 members present comprising a quorum. We were joined by the Town's Director of Finance, Kate Buch who provided us background on this resolution.

This resolution simply provides the BOF the ability to refinance certain bond obligations to take advantage of special circumstances, namely lower interest rates or shortened maturities of our issued debt, without having to come before the RTM. The RTM has previously approved resolutions of this nature in the past and the BOF has acted this past year saving the Town substantial interest charges. This resolution does not impact the need for the RTM to approve any new issuances.

The Committee

voted: UNANIMOUSLY

We recommend to the RTM to: APPROVE



## Remarks on Bond Refunding

Murry Stegelmann, Chair

Darien Board of Finance

May 11, 2009

The Board of Finance urges the RTM to adopt item 09-9.

A number of years ago the Town of Darien was unable to refinance some of its existing bonded debt when interest rates fell quickly and meeting schedules of various Town Bodies were unable to be coordinated in a timely fashion.

Since that time, the Board of Finance has asked there to be bond refunding resolutions that are approved and ready to be used if market conditions allow the Town's bonds to be refinanced in an expedited fashion.

As I mentioned earlier this evening, in March of 2009 the Town was able to issue \$28.4 million of bonds at an average interest rate of 2.35% and refinance some of the existing debt. Total savings on that refinancing was \$1.8 million. However, that issuance substantially reduced the existing authorization approved by the RTM to refund existing bonds. We currently have approximately \$90 million of bonds outstanding. Tonight we are asking to refresh the authorization and allow up to \$50 million of future bond issuances solely for the purposed of refunding existing indebtedness.

**Finance & Budget Committee  
Report to RTM, May 11, 2009**

**(09-10) RTM RESOLUTION APPROVING A SPECIAL APPROPRIATION  
FOR POST RETIREMENT BENEFITS**

I am Bruce Orr, District 5 and Chair of Finance and Budget.

I move Resolution (09-10) and ask for a second.

If there are no objections, I propose to waive the reading of the Resolution.

The F&B committee met on May 11, 2009, with 13 of 15 members present comprising a quorum. We were joined by the Town's Director of Finance, Kate Buch who provided us background on this resolution.

Firstly, this resolution allows the Town pension funds to be compliant with a new government accounting standard, GASB 45. Furthermore, this funding of \$1,080,000 will be the first step in closing an estimated \$5 million unfunded gap in certain Town employee post retirement benefits. The funds will cover two years – the current fiscal year and next year – and will be funded from the Town's General Fund.

By making progress in closing this actuarially defined gap, the Town will be able to sustain its top credit rating from rating agencies, allowing for lower interest costs for future borrowings.

The Committee voted unanimously to approve this resolution

We recommend to the RTM to approve this resolution

Bruce G. Orr, Sr.  
Chairman  
May 11, 2009

## Remarks on OPEB Appropriation

Murry Stegelmann, Chair

Darien Board of Finance

May 11, 2009

The Board of Finance urges you to adopt item 09-10.

The Government Accounting Standards Board (also known as GASB) is the governmental equivalent of Financial Accounting Standards Board (or FASB).

In seeking to increase the disclosure of contingent or off-balance sheet liabilities, GASB has ruled that governmental bodies should determine the liabilities associated with Post-Employment benefits that are promised to retirees of states and towns. This is similar to the pension accounting requirements adopted many years ago. For the town of Darien, those liabilities are chiefly health care benefits promised to retirees.

Although the Town of Darien has rarely provided health care benefits to retirees, it does have them primarily in two areas. First, the contract with our police officers in the past provided limited health care coverage for retirees. Under our existing contract, that right is not extended to new hires. The existing policy of the Town has been to fund that liability.

However, under the new accounting standards, as of June 30, 2009 the Town of Darien must recognize an additional \$4.4 million liability associated with health care costs that is mandated by the State of Connecticut for retired teachers. Darien must make available health care benefits to retirees at a favorable rate until they are eligible for Medicare.

In order to begin to address this liability, we are asking for a special appropriation of \$1,082,160 to create a Post Employment Benefits Fund. That amount of money should allow the Town of Darien to report that we are solid on an actuarial basis until June 30, 2010. Beyond that time, we will be incorporating the annual liability into the budget each year, and amortizing the prior liability over 30 years. This funding approach is one that has been adopted by all of our neighboring towns in Fairfield Country. We are also asking that at a future meeting, the RTM amend the ordinances of the Town to create a Trust Fund which would function similar to a Pension Board. Such a Trust Fund could invest the funds in appropriate long term investments.

However, tonight we are asking you to take the first step and fund \$1,081,160 of the liability.